



**MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION**

**OPERATIONAL MEMORANDUM
NO. 1**

**SUBJECT: MODIFICATION OF A PERMIT TO INSTALL OR AN EQUIVALENT
EMISSION LIMIT IN A RENEWABLE OPERATING PERMIT**

EFFECTIVE DATE: September 1, 1994

REVISED DATE: January 31, 1996 & February 14, 1997

PREAMBLE

The Air Quality Division (AQD) has developed a renewable operating permit (ROP) program as mandated by the 1990 amendments to the federal Clean Air Act. The primary purpose of this new permit program is to consolidate and clarify the air pollution control requirements which apply to a source and to provide for adequate monitoring, recordkeeping and reporting to insure compliance with those requirements. As sources are preparing to implement the ROP program, they are discovering that certain existing permit limitations need to be modified. The need for such modifications may be the result of a need for additional operational flexibility or problems with the source's ability to comply with the existing permit limitations. The ROP program allows for a source to propose "equivalent requirements" to those found in their existing permits. Specifically, Rule 212(6) states:

"As a part of an application for a renewable operating permit, a person may seek to establish that certain terms or conditions of a permit to install, permit to operate, or order entered pursuant to the act are not appropriate to be incorporated into the renewable operating permit or should be modified to provide for consolidation or clarification of the applicable requirements. An application for a renewable operating permit may include information necessary to demonstrate any of the following:

(a) That a term or condition of a permit to install, permit to operate, or order entered pursuant to the act is no longer an applicable requirement.

(b) That a term or condition of a permit to install, permit to operate, or order entered pursuant to the act should be modified to provide for consolidation or clarification of the applicable requirement. A person shall demonstrate that the modification results in enforceable applicable requirements which are *equivalent* to the applicable requirements contained in the original permit or order and that the *equivalent* requirements do not violate any other applicable requirement.

(c) That the process equipment should be combined into processes different from the processes contained in a permit to install, permit to operate, or order entered pursuant to the act to provide for consolidation or clarification of the applicable requirement. A person shall demonstrate that the realignment of the processes results in enforceable applicable requirements which are *equivalent* to the applicable requirements contained in the original permit or order and that the

equivalent requirements do not violate any other applicable requirement.”
(Emphasis added.)

It is recognized that certain types of permit modifications should not and can not wait for the implementation of the ROP program. However, it is also not in the best interest of the AQD or the sources to create a new permit backlog as a result of the implementation of the ROP program.

The purpose of this document is to provide guidance on the types of modifications to conditions of existing permits which should be submitted as modifications to existing permits and those which should be saved for the sources ROP application.

POLICY

Types of changes that should be submitted right away as modifications to an existing permit:

1. Modifications needed to allow for the installation of new processes or process equipment.
2. Modifications involving requests for increases in the emissions allowed under a permit. This includes any limitation, standard, or condition, including a work practice standard, including those that establish an emissions cap that the source has assumed to avoid an otherwise applicable requirement.
3. Modifications needed to resolve a compliance problem, including any applications needed for equipment installed in violation of the requirements of Rule 201.

Types of changes that should be submitted as a proposed *equivalent* requirement as a part of an application for an ROP:

1. Modifications only involving the consolidation of process equipment covered by several different permits into a single permit.
2. Modifications to existing monitoring, recordkeeping, or reporting requirements.
3. Modifications involving a different approach to limiting the emissions from the process or process equipment than that contained in the current permit where no emission increases, compliance problems, or new equipment are involved.
4. Modifications involving a determination that certain terms or conditions of a permit are no longer applicable requirements pursuant to Rule 212(6).

Another type of modification to conditions of existing permits which may be requested are those needed to reduce the potential to emit of a source to less than a particular major source criteria. If the need to reduce the potential to emit is related to one of the types of changes that should be submitted right away, then the changes necessary to reduce the potential to emit should also be submitted right away. However, the AQD has developed guidance and tools to assist sources in adding legal restrictions to avoid the new operating permit program. This guidance is contained in Operational Memorandum No. 4.

This memorandum is intended to provide guidance to AQD staff to foster consistent application of Part 55 of the Natural Resources and Environmental Protection Act and the administrative rules promulgated thereunder. This document is not intended to convey any rights to any parties nor create any duties or responsibilities under law. This document and matters addressed herein are subject to revision.

Questions regarding this Operational Memorandum should be directed to Dave Yanocho in the Operating Program Unit at 517-373-7035.

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